The year 2022 was a year of many challenges for America and, in particular, California. At the federal level, we saw inflation ravage Americans’ pocketbooks and an economy at the brink of recession due to bad government policy. In California, more people were struggling to make ends meet with very high energy and food costs – and some were even forced to move out of state – due to costly state mandates limiting our freedoms. Some wealthy families and corporations left because they were tired of the ever-increasing tax bills and a loss of freedom.

In these dark times, PRI stood tall as a beacon of freedom, offering a positive vision to turn around our decaying cities, reduce high rates of homelessness and crime and get the economy back on track, by providing relief from rising costs of living through the power of free market ideas.

Here are a few examples of how our work made a big impact in shaping policy in 2022:

**PRI STOPS SINGLE-PAYER HEALTH CARE IN CALIFORNIA**

Sacramento progressives were clamoring yet again to enact a single-payer health care system in the state that would outlaw all private health care. To combat this dangerous push, I went to work to show Californians how government-run health care systems like that in my native Canada would hurt them and their families.

Through my numerous speeches and debates, op-eds and media interviews, and input provided to lawmakers, Californians quickly learned that Assembly Bill 1400, if enacted, would have doubled the size of the state budget and triggered over $160 billion in new taxes to pay for it. Once they got the facts and the truth, support for this proposal cratered. The bill’s proponents were forced to pull the bill before an Assembly vote was taken due to lack of public support.

For my efforts, I was so honored to be nominated for the prestigious Bob Williams Award from the State Policy Network for having one of the year’s “biggest wins for freedom.”

**PRI INSPIRES “PARENT REVOLUTION” ON CALIFORNIA SCHOOL BOARDS**

Parents have grown increasingly concerned about politicized curriculum like Critical Race Theory being taught in their children’s schools. Many decided to step up to the plate in 2022 and run for their local school board to restore accountability and transparency, and they won!
PRI’s team, led by Lance Izumi, senior director of our Center for Education, set out to give new school board members the tools needed to overcome the education bureaucracy and make change. In November, PRI revived its annual School Board Training program, hosting 50 new school board members at our inaugural event in San Diego. Among the topics discussed were how to be an effective school board member, and how to improve student performance.

One school board member who attended was inspired by what they learned at the event to author and win approval of a motion to ban the teaching of Critical Race Theory in their school district.

PRI’S CEQA GAUNTLET PROJECT RECEIVES PRESTIGIOUS NATIONAL AWARD

PRI’s research presents the ideas, backed up by data, to turn our state around. But as they say, a picture is worth a thousand words. Painting a picture of the problems caused by state bureaucracy is just as important as educating Californians about the need for reform.

That’s what we did in 2022 with our “CEQA Gauntlet” research project. Documenting the bureaucracy of the California Environmental Quality Act, or CEQA, PRI produced a flow chart illustrating the maze of bureaucracy that adds delay and expense to building new housing and other top state priorities. The chart was released following a controversial court ruling that threatened to deny admission to thousands of UC Berkeley students due to CEQA.

The CEQA Gauntlet chart, a full-size copy of which was printed in the Southern California News Group newspapers, has helped to inspire a growing movement in Sacramento for long-overdue comprehensive CEQA reform. For our work, PRI was so honored to be awarded a prestigious Communications Excellence Award from State Policy Network for the “bold brand boost” we received from our CEQA Gauntlet project.

These 2022 success stories, along with many others that you’ll read about on the following pages, show that PRI is having a major impact every day in challenging the status quo.

Through books and studies, media interviews and commentaries, speeches and debates, and events held around the state and nation, PRI pushes back every day against the prevailing thinking in Sacramento and Washington that creating an expensive new government program or spending billions of tax dollars will improve people’s lives.

With your continued generosity, PRI’s team will strive to make an ever-bigger difference in 2023 and beyond in advancing the market-based reforms that are key to turning our state and our nation around.

Sally C. Pipes
President, CEO, and Thomas W. Smith Fellow in Health Care Policy
1,841 Op-Eds Published

1,542 Print and Online Media Citations

165 Radio and Television Interviews

15 Books and Studies Published

12 Online and In-Person Events

237 Blog Posts
“The Fundamental Flaws of the Third-Party Payer System,” Coverage Denied series, Dr. Wayne Winegarden and Celine Bookin

“The CEQA Gauntlet,” Chris Carr, Lucas Grunbaum, Navi Dhillon

“The 2022 Education Landscape and Coming Homeschool Tsunami,” Capital Ideas brief, Lance Izumi

“Counterproductive: Why state and municipal climate lawsuits are anti-growth, anti-innovation, and anti-environment,” Dr. Wayne Winegarden

“Zapped! How California’s Punishing Energy Agenda Hurts the Working Class,” Dr. Wayne Winegarden


“Driving a Wedge into the Health Care System,” Coverage Denied series, Dr. Wayne Winegarden and Celine Bookin

“Vaping on Trial: A Comparison of U.K. and U.S. Policies,” Dr. Roger Bate
“Project Homekey Provides No Way Home for California’s Homeless,” Kerry Jackson and Dr. Wayne Winegarden

“Falling Prices: Biosimilar competition has saved billions of dollars, but policy changes can incentivize billions more,” CMEI issue brief, Dr. Wayne Winegarden

Back from Dystopia: A New Vision for Western Cities, Free Cities Center book, Steven Greenhut

“Promoting Transparency and Competition in the Drug Market,” Coverage Denied series, Dr. Wayne Winegarden and Celine Bookin

“Establishing an Efficient Health Insurance Market,” Coverage Denied series, Dr. Wayne Winegarden and Celine Bookin

“Congress To-Do Lists,” Policy action items for the new Congress on health care, energy and the environment, and education, Sally Pipes, Wayne Winegarden, and Lance Izumi

“Good Intentions Gone Awry: The Case of the 340B Program,” CMEI Issue Brief, Dr. Wayne Winegarden
National School Choice Week webinar on *The Homeschool Boom* moderated by Lance Izumi, virtual event

Dinner with Dr. Bjorn Lomborg, Menlo Park

Annual Baroness Thatcher Gala Dinner with Kellyanne Conway, Newport Beach

Fourth Annual California Ideas in Action Conference featuring keynote speaker Sacramento County District Attorney Anne Marie Schubert, Sacramento

Luncheon with Michael Shellenberger, San Francisco

An evening in conversation with Michael Anton, Charles Kesler, and Roger Kimball, Palm Beach, FL
Luncheon with Heather Mac Donald, “Paradise Lost – A Discussion of Crime and Homelessness in the Golden State,” Newport Beach

Luncheon with Steve Hilton, “The Next Revolution – in California?”, Newport Beach


Webinar with Secretary Betsy DeVos, in conversation with Lance Izumi, virtual event

Sir Antony Fisher Annual Gala Dinner with Peter Thiel and honoree Kiron Skinner, Palo Alto
In one of 2022’s biggest wins for freedom, PRI stops single-payer health care in California

Sacramento progressives redoubled their efforts in 2022 to enact a single-payer health care system in California that would outlaw private insurance.

PRI, led by President, CEO, and Thomas W. Smith Fellow in Health Care Policy Sally Pipes, undertook an aggressive campaign to educate state lawmakers, policy insiders, and the general public about the dangers of enacting Assembly Bill 1400.

Through research and analysis, media interviews, op-eds placed in key state and national publications, and speeches and debates, Pipes showed how enacting AB 1400 would have resulted in $163 billion in new taxes and $550 billion in new government spending, reduced access to care including specialists, and imposed huge new burdens on employers. Using real life examples and stories, Pipes helped Californians understand the realities of what single-payer health care would mean for them and their family’s health care.

University of Massachusetts, Amherst professor Gerald Friedman – one of America’s top proponents of single-payer health care and one of Pipes’ frequent debate sparring partners – said of Pipes’ arguments against single-payer: “Brilliantly done, as usual. Damn: I wish that I wrote so clearly and argued so well!”

As a result of PRI’s multi-faceted campaign, AB 1400 supporters were forced to throw in the towel and pull the bill before a full vote of the Assembly was taken due to lack of support.

For her leadership in stopping the push for single-payer in California, Pipes and PRI were nominated for a prestigious Bob Williams Award from State Policy Network for the “biggest win for freedom.” AB 1400’s defeat is important not only for California, but in stopping the push for single-payer nationwide. If California had enacted single-payer legislation, the dominoes would have surely fallen toward “Medicare for All” in other states.
As a result of PRI’s multi-faceted campaign, AB 1400 supporters were forced to throw in the towel and pull the bill before a full vote of the Assembly was taken due to lack of support.
School Board Members Halt Controversial Curriculum After Attending PRI Training

One of the key results from the 2022 election was a successful “parent revolution.” Concerned citizens upset with local education bureaucrats enacting controversial curriculum like critical race theory without accountability to parents or taxpayers decided to challenge the education status quo. Even in deep blue states like California, they won.

Once elected, the parents and taxpayers who won election to their local school boards often didn’t have the background or training to challenge the education bureaucracy and enact much needed reform in their school districts.

To fill the void, PRI relaunched its School Board Training Program with the goal of providing school board members with the resources to ensure that all students receive a high quality education. It revives a very successful program that ran from 2004 to 2008 and brought together hundreds of school board members from around the state.

In November, PRI hosted 50 current and newly elected school board members at our School Board Member conference, held in San Diego in advance of the California School Board Association annual conference. The conference was moderated by Lance Izumi, senior director of PRI’s Center for Education. Attendees had the opportunity to engage in question and answer sessions with eight esteemed panelists, learn how to be an effective school board member, address policy issues that would likely come before them in their school districts, and network with likeminded board members in other districts.

One school board member who attended the event was inspired by what they learned to go back home and author a successful resolution on their school board banning the teaching of Critical Race Theory in their district.
Attendees had the opportunity to engage in question and answer sessions with eight esteemed panelists, learn how to be an effective school board member, address policy issues that would likely come before them in their school districts, and network with like-minded board members in other districts.
PRI Scholars Promote Fiscal Responsibility to Tackle Rising Inflation, Declining Economy

In PRI’s recent Beyond the New Normal series, senior fellow in business and economics Wayne Winegarden set forth the ideal level of government spending that should be embraced by Congress to maximize economic growth. To the contrary, the Democratic majority in Congress and the Biden administration enacted massive spending increases that, not surprisingly, led to record inflation growth and pushed America’s economy onto the brink of recession.

PRI’s team led by Dr. Winegarden was in high demand for media interviews on taxes, spending, rising inflation, the economic downturn and the minimum wage. In his comments, Winegarden promoted a message of fiscal responsibility as the best approach for Congress to embrace to get runaway inflation under control.

Winegarden was featured in a TV interview for NASDAQ.com on inflation, rising interest rates, the supply chain problems, and his views on the outlook of the economy. He also gave numerous television interviews on local stations nationwide discussing the impact of rising inflation on families and businesses, including on Fox 31 in Denver, CO; Good Day Tulsa (KTUL-TV, Tulsa, OK); and NBC 4 in Columbus, OH.

His comments on inflation, the economy, and the Biden administration’s so-called Build Back Better plan were featured in numerous print and online media outlets nationwide, including the Denver Post, Chicago Tribune, Deseret News, Charlotte Observer, S&P Global, Arizona Business Magazine, USA Today, and Newsweek.

Comments by PRI’s Kerry Jackson were featured in an Associated Press story on how rising inflation had triggered an increase in California’s minimum wage law. The story was published by more than 250 media outlets nationwide, including the San Francisco Chronicle, Sacramento Bee, and San Diego Union-Tribune.
“PRI’s team led by Dr. Winegarden was in high demand for media interviews on taxes, spending, rising inflation, the economic downturn and the minimum wage.
PRI SHOWS “CEQA GAUNTLET” IS HINDERING NEW HOUSING AND OTHER STATE PRIORITIES

Californians were outraged in February 2022 to learn about a court ruling that would have the impact of denying 3,000 prospective UC Berkeley students admission to the school later that fall due to the California Environmental Quality Act. The law, commonly known as CEQA, has been cited by many observers as being one of the prime contributors to the state’s housing crunch, a politician-created crisis that makes it very difficult to build while driving up costs.

On the heels of the court ruling, PRI published “The CEQA Gauntlet,” a study detailing how CEQA adds expense and delay to – and in some cases halts – critical California projects including housing, schools, infrastructure, renewable energy, homeless shelters, and wildfire prevention. The study was authored by Chris Carr, J.D., Ph.D., head of the environment and energy practice group at Paul Hastings LLP, and his colleagues Navi Dhillon and Lucas Grunbaum.

The cornerstone of the project is a full-size flowchart that illustrates the CEQA gauntlet – a maze of tests and trials that far too often frustrates construction across the state. The study also proposes several realistic and reasonable policy ideas that could form the nucleus of comprehensive reform including streamlining the review process to reduce time and unnecessary costs, end junk lawsuits, but preserve meritorious litigation.

“The CEQA Gauntlet” received significant national and statewide media attention, helping to galvanize public opinion toward reforming CEQA and stopping the law’s abuse as exemplified by the UC Berkeley case. The Southern California News Group newspapers ran a full-size version of the “CEQA Gauntlet” flowchart in its Sunday opinion section, along with multiple columns promoting the study’s findings. Chris Carr published an op-ed on the study and the UC Berkeley case that was featured in The Wall Street Journal, and the study received coverage from Calmatters, the San Jose Mercury News, Bloomberg News, and KNX Radio in Los Angeles, among other outlets. A PRI-produced social media video promoting the study’s findings has received nearly 50,000 views to date.

In recognition of its work demonstrating how harmful policies like CEQA are, PRI’s team was awarded a prestigious Communications Excellence Award from the State Policy Network. PRI was recognized for the “bold brand boost” received from promoting important research like the “CEQA Gauntlet” study which demonstrates our ability to advance common-sense reforms that could generate bipartisan support in a deep blue state while solving real problems.
‘The CEQA Gauntlet’ received significant national and statewide media attention, helping to galvanize public opinion toward reforming CEQA and stopping the law’s abuse as exemplified by the UC Berkeley case.
Gov. Gavin Newsom’s administration has heralded its Project Homekey initiative (previously Project Roomkey) to spend tax dollars utilizing unused motels and hotels to move people from the streets to housing as “the fastest, largest, most-cost-effective addition of permanent housing in California history.” To date, the state has spent over $10 billion in federal, state, and bond funds on the initiative.

Despite this significant spending, the preliminary local “point in time” estimates of homeless population released by several California counties and cities in 2022 showed that the state’s homeless problem is continuing to grow worse despite this spending. In addition, so-called “affordable housing” projects built with Homekey funds are costing upwards of $1 million per unit to build.

Building upon the work of its 2021 book No Way Home, PRI released a 2022 follow-up study examining the effectiveness of Project Homekey, “Project Homekey Provides No Way Home for California’s Homeless.”

The research by Dr. Wayne Winegarden and Kerry Jackson found that the Newsom administration’s claims are unfounded, and the program is costly, inefficient, and not helping to reduce homelessness in the state. Instead of continuing to embrace the controversial “housing first” approach, which claims that a permanent, stable home best helps people overcome the challenges leading to homelessness, PRI’s study urges lawmakers to focus on programs that directly address addiction and mental health, and better leverage public resources to connect homeless with private nonprofits with proven results in meeting individual needs.

The study has received significant media attention, including in the San Diego Union-Tribune, Ventura County Star, Sacramento Business Journal, and Washington Times, along with KFI-AM and KNX-AM in Los Angeles.

After the release of PRI’s study, state lawmakers are starting to listen. At a February 2023 legislative hearing, Democrat and Republican lawmakers alike questioned state officials on why there has been so little progress in reducing homelessness despite billions spent. Additionally, the study authors briefed legislative staff on its findings, recommendations from which were included in a legislative package proposed by Senate Republicans in spring 2022.
“PRI’s scholars briefed legislative staff on its homelessness research, recommendations from which were included in a legislative package proposed by Senate Republicans in spring 2022.”
In August 2022, President Biden signed the Inflation Reduction Act, which includes a series of sweeping health care reforms. Among them are provisions that increase taxpayer-funded insurance subsidies and impose price controls on drugs. While these reforms may seem minor, they just mask progressives’ long-term goal of implementing a single-payer health care system.

PRI’s Sally Pipes and Wayne Winegarden sounded the alarm by these changes, authoring op-eds and appearing on radio, television, and podcast programs to show how price controls on innovative therapies will destroy the incentive for manufacturers of generics and biosimilars to develop competing medicines. Pipes appeared live on Newsmax TV to discuss the health care provisions in the Inflation Reduction Act, which was viewed 13,000 times on YouTube. Winegarden was interviewed multiple times on Scripps National News, which airs on local newscasts on over 60 television stations in markets across the country.

In 2022, PRI released the latest briefs in its Coverage Denied series, authored by Wayne Winegarden with Celine Bookin, which analyzes and proposes reforms to fix the problems in America’s health insurance system that threaten patient health outcomes and often lead to huge financial risks for patients facing unexpected or chronic health care challenges.

The second and third papers, published in January and March 2022, respectively, show how the problem of drug affordability is caused by the perverse incentives created by the third-party payer system that have disempowered patients in favor of insurers and other supply-chain intermediaries. The disincentives from this payment system drive up costs, drive down quality, and expose patients to excessive financial risk. A new episode of the popular “Escape the Drug Pricing Maze” series of animated videos highlighting these themes garnered over 7,600 views on social media.
“In 2022, PRI released the latest briefs in its Coverage Denied series, which analyzes and proposes reforms to fix the problems in America’s health insurance system that threaten patient health outcomes and often lead to huge financial risks for patients facing unexpected or chronic health care challenges.”
PRI’s New Free Cities Center Aims to Incubate Free Market Ideas to Improve Cities

Turn on any newscast, and you’d undoubtedly see a story about the problems plaguing the West Coast’s cities – including lack of economic opportunity, failing schools, out-of-control crime, rampant homelessness, reduced access to health care, and unaffordable housing.

To inspire the big reforms that are required to restore our urban centers as livable communities again, PRI in 2022 launched the Free Cities Center, led by director Steven Greenhut. The Free Cities Center aims to cultivate innovative ideas to improve urban life based around freedom and property rights – not big government.

The Free Cities Center will regularly release incisive reporting and analysis on crime, housing, education, homelessness, social mobility and other urban issues through commentaries, videos, and webinars.

An array of noted California free-market thinkers write regularly for Free Cities Center, including Chris Reed, Wendell Cox, John Seiler, and PRI scholars including Kerry Jackson, Dr. Wayne Winegarden, Lance Izumi, and Steve Smith.

As part of the Free Cities Center launch, PRI released the first in a series of quarterly mini-books that will explore the free-market vision for West Coast cities.

The first paper in the series, authored by Steven Greenhut, “Back from Dystopia,” sets forward how we can achieve the vision of restoring vibrant free cities. It explores how to build freer and better cities with good quality of life, safe streets, and lively culture by adopting market-based policies at the local level.

The Free Cities Center will also release long-form interviews and video tours on social media to visibly show how market-based quality can improve urban quality of life. A video posted in November features Greenhut on a tour of Berkeley with California YIMBY communications director Matthew Lewis to see first-hand how denser, multi-family housing units can exist in harmony with single-family homes and create thriving neighborhoods. The video has garnered 11,000 views on Youtube since its release.
“The Free Cities Center aims to cultivate innovative ideas to improve urban life based around freedom and property rights—not big government.”
WITH GRATITUDE

Thanks to the generous support of donors from across the nation, PRI in 2022 reached new audiences and advanced market-driven policies that empower individuals—the real decision makers when it comes to their schools, health care, jobs, and environment—to make decisions about the daily issues that matter most to them. In 2022, PRI reached millions of Americans through 15 published books and studies, 1,841 op-ed placements, 33 television appearances, 132 radio and podcast hits, 25 speeches and debates, 237 blog posts on PRI’s Right by the Bay blog, 49 episodes of PRI’s “Next Round” podcast, and several public and virtual events.

PRI donors promote individual freedom, opportunity, and prosperity by helping develop and communicate freedom-oriented solutions. Their generosity makes possible our research that exposes the failures of big government—and our outreach that points the way towards a future that is prosperous and free.

How to Support PRI
Every gift to PRI counts. You can donate via check, stock, or wire transfer. To make a onetime or recurring online donation, visit pacificresearch.org/donate/. If you have questions or require additional information about stock or wire transfers, please contact PRI’s Development Department.

Membership
The Sir Antony Fisher Freedom Society recognizes PRI’s closest friends and most loyal supporters. Members of the Society contribute more than $1,000 each year and are key partners in our mission. For more information on the Society and to join, visit pacificresearch.org/join/.

Planned Giving
Including PRI in your estate plans provides you and your loved ones with several tax advantages and an assurance that your assets will go to an organization you know and trust. But more important, by making a planned gift to PRI, you are leaving a legacy to protect and renew freedom for generations. There are many opportunities to contribute to PRI’s mission, such as giving appreciated stock, making a gift to PRI from your individual retirement account (IRA), listing PRI as a beneficiary of retirement accounts and insurance policies, and including PRI in your will or trust.

Contact PRI’s Development Department
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2022 ASSETS AND LIABILITIES

Cash & Equivalents $11,187,248
Investments 10,690,365
Net Fixed Assets -
Other Assets 817,461
Liabilities (340,907)
Net Assets 22,354,167

Total Revenue $5,644,165
Total Expenses $5,087,591
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